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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

BOB STUMP - Chairman  
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2014 SEP 30 P 3:16

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

SEP 30 2014

DOCKETED BY

In the matter of:

DOCKET NO. S-20899A-13-0396

WILLIAM N. NORDSTROM and LINDA  
NORDSTROM, husband and wife,

NORDSTROM NORDSTROM I, INC., an Arizona  
corporation,

NORDSTROM IMPORTS, INC., an Arizona  
corporation,

Respondents.

ORIGINAL

**FOURTH**  
**PROCEDURAL ORDER**  
**(Continues Deadline)**

**BY THE COMMISSION:**

On November 19, 2013, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against William N. Nordstrom and Linda Nordstrom, husband and wife, Nordstrom Nordstrom, I, Inc. ("NNI"), and Nordstrom Imports, Inc. ("Imports") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts and stock.

Respondents were duly served with a copy of the Notice.

On March 10, 2014, counsel for Mr. and Mrs. Nordstrom filed a request for hearing on their behalf in response to the Notice in this matter pursuant to A.R.S §44-1972 and A.A.C. R14-4-306. A hearing request was not filed on behalf of either NNI or Imports which are defunct corporations.

On March 13, 2014, by Procedural Order, a pre-hearing conference was scheduled on April 21, 2014.

On April 21, 2014, at the pre-hearing conference, the Division and Mr. and Mrs. Nordstrom were represented by counsel. Counsel for the Division indicated that it would be ready to proceed

1 with a hearing in approximately three to four months and would call up to nine witnesses in support  
2 of the allegations in the Notice. Counsel for Mr. and Mrs. Nordstrom requested that a hearing not be  
3 scheduled for approximately six months because Mr. Nordstrom who is approximately eighty years  
4 old had lymphoma and was preparing for a fourth round of chemotherapy in his battle against the  
5 disease; has had all of his teeth removed; and was experiencing cognitive issues which made it  
6 difficult to prepare for a hearing. Additionally, the Nordstroms had gone through a bankruptcy and  
7 had moved to Utah and are living with relatives.

8 On April 24, 2014, by Procedural Order, a hearing was scheduled to commence on September  
9 15, 2014.

10 On July 1, 2014, the Division filed a Motion for Continuance ("Motion") for at least eight  
11 weeks of both the deadline for the exchange of Witness and Exhibit lists set for August 1, 2014, and  
12 for the continuation of the hearing scheduled to commence on September 15, 2014. The Division  
13 indicated that the remaining Respondents in the proceeding, William and Linda Nordstrom, are in  
14 agreement with this Motion. The Division stated that one of its key witnesses will be unavailable  
15 during the presently scheduled hearing and that Respondent William Nordstrom's cancer treatments  
16 are continuing for a longer period than was anticipated. The Division further stated that the parties  
17 are continuing to negotiate the terms of a settlement and that a continuance may possibly lead to a  
18 resolution of the issues raised by the Notice.

19 On July 7, 2014, by Procedural Order, it was found that good cause had been established for  
20 granting the Division's Motion for a continuance, and the hearing was continued to November 10,  
21 2014; however, it was subsequently found that a conflict existed with this date.

22 On July 11, 2014, by Procedural Order, the commencement of the hearing and subsequent  
23 hearing dates were amended due to a scheduling conflict.

24 On September 29, 2014, the Respondents filed a Motion for Continuance of Deadline for  
25 Exchanging List of Witnesses and Exhibits ("Motion for Continuance of Deadline") from September  
26 29, 2014 to October 15, 2014, and indicated that the Division was in agreement with the request by  
27 the Respondents.

28 Accordingly, the Motion for Continuance of Deadline should be granted.

1 IT IS THEREFORE ORDERED that the **hearing shall commence on November 17, 2014,**  
2 **at 10:00 a.m.,** at the Commission's offices, 1200 West Washington Street, Hearing Room No. 2,  
3 Phoenix, Arizona, as previously ordered.

4 IT IS FURTHER ORDERED that the **parties shall also set November 18, 19, 20, and 21,**  
5 **2014, for additional days of hearing,** if necessary.

6 IT IS FURTHER ORDERED that **the Division and Respondents shall have a continuance**  
7 **to exchange copies of their Witness Lists and copies of the Exhibits from September 29, 2014, to**  
8 **October 15, 2014,** with courtesy copies provided to the presiding Administrative Law Judge.

9 IT IS FURTHER ORDERED that **if the parties reach a resolution of the issues raised in**  
10 **the Notice prior to the hearing, the Division shall file a Motion to Vacate the proceeding.**

11 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
12 Communications) is in effect and shall remain in effect until the Commission's Decision in this  
13 matter is final and non-appealable.

14 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
15 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission  
16 *pro hac vice*.

17 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance  
18 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
19 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
20 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
21 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
22 Administrative Law Judge or the Commission.

23 ...

24 ...

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1 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,  
2 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by  
3 ruling at hearing.

4 DATED this 30<sup>th</sup> day of September, 2014.

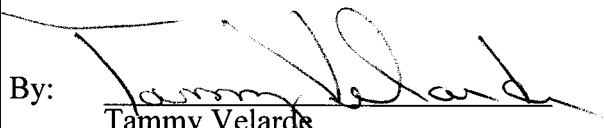
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7 MARC E. STERN  
8 ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed/delivered  
10 this 30<sup>th</sup> day of September, 2014 to:

11 Bradley D. Weech  
12 JACKSON WHITE  
13 40 North Center Street, Suite 200  
14 Mesa, AZ 85201  
15 Attorneys for Respondents William N. Nordstrom and Linda Nordstrom

16 Matt Neubert, Director  
17 Securities Division  
18 ARIZONA CORPORATION COMMISSION  
19 1300 West Washington Street  
20 Phoenix, AZ 85007

21 By:   
22 Tammy Velarde  
23 Assistant to Marc E. Stern  
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26  
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